

**DEPARTMENT OF HEALTH SERVICES**

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December 10, 1998

PPL No. 98-027

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TCM/AA

To All County Medi-Cal Administrative Activities (MAA)/  
Targeted Case Management (TCM) Coordinators and  
Advisory Committee Members

**INCREASE IN THE FEDERAL MEDICAL ASSISTANCE PERCENTAGE (FMAP)**

The purpose of this letter is to advise local government agencies (LGAs) participating in the TCM program, that the FMAP has changed. As explained in Policy and Procedure Letter No. 97-009, dated June 6, 1997, the FMAP is used to ascertain the maximum federal amount the LGA will be reimbursed.

The FMAP was increased to **51.55** percent, effective for TCM services rendered from October 1, 1998 through September 30, 1999. The following chart identifies the FMAP since the inception of the TCM program:

DATES OF SERVICE	FMAP
July 1, 1995 -- September 30, 1996	50.00 percent
October 1, 1996 -- September 30, 1997	50.23 percent
October 1, 1997 -- September 30, 1998	51.23 percent
October 1, 1998 -- September 30, 1999	51.55 percent

An increase in the FMAP does not change how TCM claims are submitted by the LGA. The Federal Liaison Unit (FLU) will calculate the federal share for reimbursement based on the prevailing FMAP for the period of service. It should be noted that the change in FMAP applies only to Medical Assistance claims and does not affect the federal financial participation for the MAA program.

If you have any questions or concerns regarding this matter, please contact Patricia Kinney in the FLU at (916) 657-4304.

Sincerely,

David Mitchell, Chief  
Medi-Cal Benefits Branch

cc: See next page.

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Medi-Cal Administrative Activities:	
Targeted Case Management:	X
Policy Effective Date:	October 1, 1998
Policy Reference:	PPL No. 97-009, 97-027, 98-010

cc: Ms. Cathleen Gentry  
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